

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
(Internal)

February 2, 2022

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 500 (the “District”) met in regular session, open to the public, on the 2nd day of February, 2022, at the Lakehouse, 10000 Towne Lake Parkway, Cypress, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Jeffry D. Ottmann	President
Joanne E. Quintero	Vice President
Vacant	Secretary
James Spackman	Assistant Secretary
Alan Steinberg	Asst. Vice President/ Asst. Secretary

and all of the above were present except Director Spackman, thus constituting a quorum.

Also present at the meeting were Jennifer Vossler of McCall Gibson Swedlund Barfoot PLLC; Debbie Tomer of F. Matuska, Inc.; Amanda Benzman of Environmental Development Partners, LLC; Leslie Cook of RBC Capital Markets; J.T. Gaden and Robert Atkinson of Edminster Hinshaw Russ and Associates, Inc.; Brenda McLaughlin of Bob Leared Interests; and Katie Carner and Jennifer Ramirez of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

There were no comments from the public.

CONSENT AGENDA

Director Ottmann offered Board members the opportunity to remove items from the consent agenda for individual discussion. Director Ottmann requested that agenda item nos. 2b. and 2c. be removed from the consent agenda. After discussion, Director Quintero moved to approve all items on the consent agenda, except for agenda item nos. 2b. and 2c., and direct that, where appropriate, the documents be filed appropriately and retained in the District’s official records, including: (1) the minutes of the January 5, 2022, regular meeting; (2) authorizing reimbursement of eligible expenses from the Association of Water Board Directors (“AWBD”) winter conference and authorizing any interested Board members to attend the AWBD summer conference; (3) the website analytics report; (4) the operator’s report; and (5) the engineer’s report.

Director Steinberg seconded the motion, which passed unanimously. Copies of the website analytics report, operator's report, and the engineer's report are attached.

ITEMS REMOVED FROM THE CONSENT AGENDA

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. McLaughlin presented the monthly tax assessor/collector's report, a copy of which is attached. She also reviewed the District's delinquent tax roll, a copy of which is attached.

Following review and discussion, Director Quintero moved to approve the tax report. Director Steinberg seconded the motion, which carried unanimously.

The Board reviewed a delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott L.L.P. regarding the status of the District's delinquent tax accounts, a copy of which is attached. After review and discussion, Director Quintero moved to approve the delinquent tax report. Director Steinberg seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Tomer presented the bookkeeper's report and submitted the bills for the Board's review. A copy of the bookkeeper's report is attached. She also requested the Board approve check no. 3079 in the amount of \$321.50, payable to Rapid Research, Inc.

After review and discussion, Director Quintero moved to approve the bookkeeper's report and the payments presented, including check no. 3079, as detailed above. Director Ottmann seconded the motion, which passed unanimously.

NEW DIRECTOR MATTERS

ACCEPT RESIGNATION OF DIRECTOR DAHLKE AND APPOINT NEW DIRECTOR

Ms. Carner stated that Saundra Dahlke submitted her resignation to the Board, effective February 1, 2022. After discussion, Director Quintero moved to accept the resignation of Director Dahlke. Director Steinberg seconded the motion, which passed unanimously.

The Board discussed the appointment of a new director to fill the vacancy on the Board. The Board deferred action on this item.

2022 DIRECTORS ELECTION

Ms. Carner discussed procedures related to the 2022 Directors Election. The Board considered a proposed Order Calling Directors Election for the May 7, 2022 election. Following review and discussion, Director Quintero moved to adopt the Order Calling Directors Election, and direct that the Order be filed appropriately and retained in the District's official records. Director Steinberg seconded the motion, which passed by unanimous vote.

Ms. Carner discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Harris County. After review and discussion, Director Quintero moved to authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required. Director Steinberg seconded the motion, which passed by unanimous vote.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Tomer reviewed with the Board the proposed District budget for the fiscal year ending March 31, 2023, a copy of which is attached to the bookkeeper's report. After discussion, the Board concurred to defer action on adopting the budget for the fiscal year end March 31, 2023, pending further review and comment by the District's directors and consultants and the finalization of the Master District budget.

Ms. Tomer requested the Board defer consideration of a proposed Amendment to Contract for Bookkeeping Services.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Cook reviewed the various optional tax exemptions the District may offer its residents and noted that the District currently grants a 5% residential homestead exemption. After discussion, the Board concurred to table this agenda item until the next regular meeting.

REPORT FROM WATER CONSERVATION COALITION ("WCC"), AND DISCUSS COALITION FUNCTIONS

Director Ottmann reported on WCC matters and stated that further meetings are on hold pending additional participation from other Towne Lake area districts.

Ms. Carner stated that Harris County Municipal Utility District No. 503 has declined to participate in the WCC at this time.

ADDITIONAL OPERATIONAL MATTERS, INCLUDING ADOPT AMENDED RATE ORDER

Ms. Carner discussed recently enacted legislation prohibiting certain retail water or sewer providers from imposing late fees or terminating service for nonpayment of water bills that become due during a period when the previous day's highest temperature and the predicted temperature for the next 24 hours is not higher than 28 degrees Fahrenheit. She reviewed a proposed Amended Rate Order incorporating such provisions.

Following discussion, Director Quintero moved to adopt the Amended Rate Order and direct that the document be filed appropriately and retained in the District's official records. Director Steinberg seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no accounts submitted for termination.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA") MATTERS

Ms. Carner stated that the District received correspondence from the WHCRWA indicating that the District's 2020 alternate water use credit had been miscalculated and the total amount of the credit was slightly adjusted.

ADDITIONAL ENGINEERING MATTERS

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Ms. Ramirez reviewed a report on development in Towne Lake provided by the developer.

REVIEW AND REVISE ACTION LIST

The Board reviewed the action list and noted items to be included and removed from the list.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

Secretary, Board of Directors

(SEAL)

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